

MEMORANDUM

Staff Summary No. 4

Date: December 13, 2017

To: Members of the California School Finance Authority

From: Katrina M. Johantgen, Executive Director

Re: Resolution 17-34 – Approving Amendments to Regulations for the Charter School Facility Grant Program and Authorizing the Permanent Rulemaking Process

The proposed permanent regulations include underlines and strikeouts previously approved by the Board at its October 11, 2017 meeting, and subsequently approved by the Office of Administrative Law (OAL) through the Emergency Rulemaking Action, as well as additional changes from Authority staff, General Counsel, and the Executive Director. This staff summary addresses the additional changes proposed since approval of the Emergency Rulemaking Action. Authority staff has identified the additional changes with blue font to previously approved Emergency regulations to create the new amended permanent regulations.

Authority staff will file a Notice of Publication as required under the Regular Rulemaking Action to convert the emergency regulations to permanent regulations, and to adopt the additional proposed changes into amended permanent regulations. The Authority intends to proceed with the Regular Rulemaking Action and Certificate of Compliance upon the Authority Board's approval of the following proposed amended permanent regulations:

Section 10170.2 Definitions.

Section 10170.2 (b) – Amended the definition of “Application” to include the correct revision date of the CSFA Form 740-01 and added the words “a completed” and “Online”. The Authority has replaced the paper application with an online application. This amendment is necessary as it provides clarity and consistency with the use of the term Application.

Section 10170.3. Eligible Applicant

Section (d)(4) – The amendment removes “In the 2015-2016 fiscal year, the Authority may conduct an additional funding round.” The 2015-16 additional funding round was a special funding round and no longer applicable to the Program. The Authority is requesting this non-substantive correction to existing text.

Section (5) – The amendment repositions existing text (5) into the (4) position. The Authority is requesting this non-substantive formatting correction to existing text.

Section 10170.5. Application Submission

Section (a) – This section has been amended in order to be consistent with the State Charter School Facilities Incentive Grants Program Section 10180 Application Submission language approved by OAL on November 29, 2017. The opening paragraph was replaced with an “(a)” to require the use of the new online application. The Authority has fully developed and implemented the use of the online application for applicants. This addition replaces the outdated application submission language. In addition, late applications will not be accepted as the program is oversubscribed; the following was added to clearly state the new limitation: “Applications received after the final filing date will not be accepted for review”.

The amendment is necessary to maintain application consistency between all programs administered by the Authority.

Section (a) and (b) – The amendment repositions existing text (a) and (b) into the (b) and (c) position. The Authority is requesting this non-substantive formatting correction to existing text.

Section(c) – The amendment removes entire section (c) as the information is outdated and only applied to the additional 2015-16 funding round pursuant to Section 10170.3(d)(4) which is being removed. The Authority is requesting this non-substantive correction to existing text.

Section 10170.6. Content of Application

The section has been amended in order to be consistent with the State Charter School Facilities Incentive Grants Program Section 10180 Application Submission language approved by OAL on November 29, 2017. The opening paragraph was amended with “via the online application form (CSFA Form 740-01)” to require the use of the new online application. The Authority has fully developed and implemented the use of the online application for applicants. This replaces the outdated application submission language. This amendment is necessary to support Section 10170.5(a).

CSFA Form 740-01

CSFA Form 740-01 (the online application form) was updated to incorporate the online application revisions. All references to 2015-16 were removed from pages, 1, 3 and 4 of the application. Applicants complete a new online application for the prescribed funding round and the application content does not change. The due date on page 2 and the mailing address and due date were removed on page 7 as the application is completed online and a hard copy is not required by the Authority. Applicants receive a notification pursuant to Section 10170.5 (a) when the application is available and the closing date and time.

The Eligibility section on page 4 was updated to accurately record eligibility status for applicants. Question 2 was removed because the Authority confirms the Free or Reduced-Price Meal Eligibility (FRPM) with California Department of Education (CDE) through the California Longitudinal Pupil Achievement Data System (CALPADS) as defined by 10170.2(n). Question 3 was updated to record the preference in admission required by

Section 10170.3(d)(2). Question 4 was added to determine the applicant's eligibility status pursuant to Section 10170.4(e), if the school is occupying a District/County Office of Education Facility during the upcoming funding round.

These amendments are necessary to determine the Applicants eligibility for the upcoming funding round. The program is currently oversubscribed and accurate information is required to determine Program eligibility.

Recommendation: Authority staff recommends the Board adopt Resolution 17-34 approving the amended permanent regulations for the administration of the Charter School Facility Grant Program. If approved, the Executive Director will include the Resolution demonstrating the Board approval with the permanent rulemaking file